

DOD (Fred W. Baker III)



Haitian child carries meal distributed by
Soldiers as part of humanitarian relief
after January 2010 earthquake

The Case for Nation-building

Why and How to Fix Failed States

BY PAUL D. MILLER

Nation-building has a bad reputation. The phrase conjures up images of well-meaning but hapless U.S. Soldiers or United Nations (UN) peacekeepers involved in an expensive, complicated, and ultimately futile effort to fix other people's problems. Worse, nation-building is often seen as both dangerous and peripheral to anyone's vital national security interests. Iraq, Somalia, and Haiti are routinely trotted out as proof that such missions are doomed to debacle. In the post-Iraq era of softer power and tightening budgets, it seems prudent to set aside notions that the United States or UN can or should deploy force to remake countries abroad in the liberal world's image.

Paul D. Miller is an Assistant Professor in the College of International Security Affairs at the National Defense University. Dr. Miller is also a term member of the Council on Foreign Relations.

Unfortunately, the need to engage in nation-building is inescapable. State failure incubates serious threats to regional and international order, such as insurgent movements (West and Central Africa), organized crime and drug-trafficking networks (Southeast Europe, Central Asia), piracy (East Africa, Southeast Asia), pandemic disease (AIDS), and ecological disaster—to say nothing of the occasional global terrorist organization. Time and time again, history demonstrates that state failure, when left unaddressed, causes demonstrable harm to neighbors, whole regions, and occasionally the international order itself.

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Happily, the popular image of nation-building is largely founded on a few famous examples of dramatic failure. A closer look at the history and practice of nation-building illustrates that the international community has learned key lessons and improved its ability to foster stability and democracy in states confronted with violence, illegitimacy, poverty, and institutional breakdown. The challenges that the international community faces in the 21st century provide an ideal opportunity for a timely reappraisal of nation-building, its goals, prospects, and uses. As the international community begins to work with the new state of South Sudan; plans for a post-Qadhafi Libya; continues reconstruction efforts in Haiti; oversees peace-building efforts in Côte d'Ivoire and Lebanon; faces persistent weakness and violence in Afghanistan; and monitors signs

of weakness in literally dozens of other states, nation-building should remain an important and viable policy option for the UN and Western powers.

Why Build Nations?

After the terrorist attacks of September 11, 2001, it quickly became received wisdom that failed states are dangers to the world. In truth, few failed states generate the kind of global menace that al Qaeda was, and some scholars, including Aidan Hehir, Anna Simmons, and David Tucker, have since argued that state failure is not a significant cause of transnational terrorist threats.¹ But even if al Qaeda and Afghanistan were highly unusual, it is nonetheless true that weak and collapsed states pose other dangers to their neighbors, whole regions, and occasionally the world. For example, some 20 million people, including 600,000 Americans, died of the Spanish influenza of 1918–1920, a disease that surely spread faster and lasted longer in part because of Europe's weakness and poverty following World War I. The disease killed more people than the war itself. Today, epidemics such as AIDS or a potential bird flu outbreak could kill millions, cripple poor states' health care systems, and destabilize regions as armies and governments lose human capital. Keeping such diseases in check is as much a governance problem as a scientific and medical one.

Some threats are more direct than disease. The Mafia arose in the lawless regions of Sicily in the late 19th century and became a blight of organized crime and gang warfare in 20th-century Italy and America. The illegal opium trade flourished in the weak and ungoverned "Golden Triangle" border area between Laos, Burma, and Vietnam in the 20th century—until Afghanistan's collapse created an even

more inviting environment for global narcotics traffickers in Central Asia in the 1990s. The collapse of the Soviet Union and rise of nonstate armed groups outside the writ of weak post-communist states led to civil unrest, violence, and regional instability from the Balkans to the Caucasus and Central Asia, killing hundreds of thousands of people in the Balkans, reigniting nationalist chauvinism in Russia, and creating a clutch of frozen conflict zones that serve as havens for criminals and smugglers. West Africa collapsed in the 1990s as Sierra Leone, Liberia, and Côte d'Ivoire exported lawlessness and insurgent movements to each other. Central Africa saw one of the most lethal wars in the continent's history from 1997 to 2003 in part because the Democratic Republic of the Congo was unable to uphold basic law and order or protect its borders. And piracy along the east coast of Africa has increased over the last two decades since Somalia's collapse into anarchy.

These threats collectively take a massive human toll in the states directly affected. States also grow poorer. According to Paul Collier, "During civil war countries tend to grow around 2.2 percentage points more slowly than during peace." Per capita incomes fall and production of food, among other goods, declines. Instability causes capital flight: citizens with means shift up to 10 percent of their private wealth abroad. It also causes the flight of human capital: the most educated and skilled citizens tend to be the ones most able to emigrate, leaving the country bereft of the talent pool that it needs for reconstruction. And, of course, people who live in postconflict failed states are less healthy, less educated, have fewer opportunities, and die younger. For example, infant mortality rises by an average of 13 percent during a civil war, an effect that lingers long after war ends.²

But failed states also pass costs on to their neighbors, the region, and even the world. Civil war and state failure typically cause neighboring states to increase spending on defense as a precaution, which can trigger a regional arms race while decreasing resources available for social welfare and investment. War itself is infectious. Instability in one country is an ideal condition for marginalized groups from a neighboring country to take refuge and launch their own insurrections. Refugees from failed states are a considerable economic cost on neighbors, and even more so if they are carrying infectious diseases such as HIV/AIDS, as they often are. State failure disrupts cross-border trade in the region, which can be a major economic burden because most countries' largest trading partners are their immediate neighbors. Citizens of failed states buy fewer goods, produce less for the world economy, create no businesses, and invent no products, but have more opportunities to contribute to crime and political violence that crosses borders.³

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Failed states are sinkholes in the world. They contribute nothing good and positively detract value from the region, much as a condemned building used by criminals spreads blight and drags down home values throughout a neighborhood. Moreover, failed states may eventually present a systemic risk to the liberal world order, of which the United States is the principal architect and beneficiary. The threats emanating from failed states are likely to spill



over international boundaries more frequently because globalization has reduced states' insularity from each other. The 21st century is likely to see a steady increase in cross-border low-intensity conflict, transnational drug- and human-trafficking, piracy, international refugee flows, pandemic disease, environmental disaster, and terrorism. That is why state failure is a national security problem to be taken seriously in Washington.



**Provincial Reconstruction Team
Zabul member secures area near
bridge construction site**

In response to these threats, the international community has few good options. On one end of the spectrum, the Western powers could simply ignore the problems, allow anarchy to consume failed states, and pay ever higher costs to isolate themselves and repair any damage after the fact. But this option is shortsighted, ignores the realities of globalization, and is sure to cost more in the long run than is necessary. On the other end of the spectrum, the international community could resurrect

a trusteeship or mandate system under which regional powers assume responsibility for keeping order in their respective neighborhoods. This option, too, is unrealistic because there is no political will for renewed imperialism, by whatever name, among either the great powers or the developing world.

Between these two extremes lies a moderate solution. The least bad alternative is for the international community to address the root causes of state failure and foster the growth of responsible and accountable governance in the places where it is most sorely lacking—in other words, *nation-building*. The international community embraced this option quickly after the Cold War but abruptly grew gun-shy after poor implementation in a few early missions caused policymakers to doubt its feasibility and relevance. But seen in proper perspective, nation-building is not international charity. It is not a superfluous, dispensable exercise in appeasing Western guilt, an expensive tribute to humanitarianism, or an act of unvarnished selflessness and goodwill. Nation-building is a necessary response to the danger of failed states

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that threaten regional stability. It is a strategic investment in weak states to increase their capacities. It is an effort to target countries whose weakness threatens international order to improve specific abilities, such as their ability to provide public security, defend their borders, produce and sell goods, and suppress illicit activities (including terrorism and organized

crime). It is a pragmatic exercise of hard power to protect vital national interests.

Can It Be Done?

But none of this matters if nation-building is impossible. Sometimes the best policy option on paper turns out to be the worst in reality because it simply cannot be done and efforts to implement it waste time and money while the problem gets worse. Other options, even if suboptimal, are better if they can actually be implemented.

Nation-building is hard. The United Nations famously bungled operations in Liberia, Angola, and Somalia in the 1990s. The second UN Angola Verification Mission oversaw a presidential election in 1992, the unfavorable outcome of which was seized upon by Jonas Savimbi's rebel group to renew its decades-long civil war, suggesting that rapid elections in a postconflict environment can exacerbate tensions. The UN Observer Mission in Liberia drove the country's peace process toward an election in 1997, but failed to disarm factions first. Charles Taylor, the most ruthless and well-armed warlord in Liberia, simply terrified the citizenry into electing him. In Somalia, the UN and United States failed to deploy anything that country needed to impose order over fractious warlords and restart the nonfunctioning government. In all three cases, the states in question ended up worse off after, and because of, outsider meddling.

The experience in Somalia has been especially influential in shaping scholars' and policymakers' attitudes toward nation-building. The Battle of Mogadishu in October 1993, the American public's understandable confusion about why U.S. Soldiers were dying in an East African country with which they were not at war, and the Clinton administration's

abrupt pullout from the country cast a long shadow over future international peace-building deployments. In the 18 years since the failure of the UN operation in Somalia, it is routinely cited as evidence that some states are so far gone that outsiders cannot impose peace and democracy on them. For example, Fareed Zakaria, a Harvard-educated political scientist who writes widely on international affairs, recently wrote, “The trouble with trying to fix failed states is that it implicates the United States in a vast nation building effort in countries where the odds of success are low and the risk of unintended consequences is very high. Consider Somalia. [That operation] highlights the complexity of almost every approach to failed states.”⁴

But it does not. We might call this the Somalia Fallacy. Despite its dramatic public impact, the mission in Somalia is not a useful historical analogy to generalize about failed states and nation-building. To make a useful generalization, we should start with a typical failed state, or, better yet, several of them. Somalia is not a typical failed state; it is an extreme outlier. It has been nearly the most completely failed state on Earth for almost two decades. Even more, the UN Operation in Somalia (UNOSOM) in the early 1990s was not a typical UN intervention; it was a singularly, uniquely inept one marred by an inadequate mandate, poor resources, unclear command and control, and no political will. The nation-building effort in Somalia (undertaken by UNOSOM II, which deployed separately from and with a broader mandate than the prior U.S.–UN famine relief effort) saw the deployment of the most inept UN mission to the world’s most failed state. It is unsurprising that what resulted was a famous catastrophe, but observers should not treat it as a blueprint

for how all nation-building interventions are doomed to play out.

Nation-building has proven to be a viable and successful option in the past because most interventions do not have to contend with Somalian levels of anarchy, and the United States and UN have also learned to operate

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with a measure of greater sophistication. The failures have been big, public, and humiliating, but in the last two decades, the United States and UN have racked up better outcomes in Namibia, Mozambique, Nicaragua, El Salvador, Guatemala, Bosnia, Croatia, Kosovo, Timor Leste, Liberia (the second time around), and Sierra Leone (which came back from the brink of failure). Few of those countries are fully rebuilt, modern, stable liberal democracies. Civil unrest still occasionally flares up. Most are not particularly nice places to live. But the international interventions *changed their trajectories*. None have reverted to large-scale political violence. Their peace agreements have held. They have all held relatively open and competitive elections. Most have seen positive postwar economic growth. A few have shown improvements in the quality and accountability of their governance, according to the World Bank’s governance indicators, probably the hardest task of postconflict reconstruction.⁵

The bottom line is that these countries are better off now than they were at the nadir of their respective wars and failures, and they are generally improving, not backsliding. This is a realistic, achievable, and useful standard of success that policymakers can use to determine

if an intervention is worth the cost and effort. Using a sliding scale also enables us to distinguish between utter failures (for example, resumed war in Angola), middling outcomes (Cambodia, which has settled on an undemocratic peace), shallow successes (Nicaragua, which enjoys peace and political freedom but economic stagnation), and outright victory (Sierra Leone, Germany). That makes a real difference in human lives and is typically good enough to secure whatever regional or global interests led to the intervention in the first place.

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Understanding the Problem

Nation-building is one of the most complex undertakings a state can attempt. There is no secret to success. There is no silver bullet or single variable that explains all cases of success and failure—not the rule of law, availability of health care, amount of paved roads, timing of elections, gross domestic product growth rate, and not even the security environment. The UN Mission in Haiti in 1994, for example, ultimately failed to restore political stability not because of violence, insurgency, or civil war, but because of endemic political gridlock and institutional weakness that the UN failed to address.

Successful nation-building requires close attention and responsiveness to local conditions. This will require a reorientation in how we think about state failure. Scholars and policymakers tended in the past to view state failure as an easily defined condition. *State failure*, in this view, is a singular, monolithic phenomenon; states all fail the same way,

but to varying degrees. Thus, organizations such as the Fund for Peace measure a range of variables associated with state failure, including demographics, refugee populations, economic decline, security incidents, and so forth, aggregate them into a single score of failure, and rank all countries in the world, most failed to least, in their Failed State Index.⁶ In 2011, Somalia topped the Fund for Peace's list, followed by Chad, Sudan, the Democratic Republic of the Congo, Haiti, Zimbabwe, and Afghanistan.

The Failed State Index illustrates the problems with this approach to state failure. Somalia and Sudan present polar opposite problems. Somalia's failure is one of too little government; it is literally anarchic. Sudan's failure is one of too much government of the wrong kind; it is tyrannical and genocidal. Afghanistan, meanwhile, is waging a counterinsurgency, while Zimbabwe is collapsing from incompetent kleptocracy. Putting these diverse states together on a single list of "failure" does little to illuminate the vast differences between them or suggest ways of resolving their problems. Instead, it encourages a cookie-cutter approach to nation-building that overlooks the different problems each state faces, and therefore the different solutions required.

It is clear by now that different states fail in different ways. To clarify the different types of state failure, it is helpful to think of statehood as comprising five complementary aspects: security, legitimacy, capacity, prosperity, and humanity. To put it somewhat abstractly, states must be able to exercise coercion; articulate a theory of justice to legitimize their coercion; operate institutions to provide other goods and services; exchange and use goods and services; and orient their activities toward human flourishing. They are mediators

of violence, justice, the social contract, economic exchange, and human community.

State failure can be understood under the same headings. States can fail in any of these five aspects of statehood, suggesting a typology of five types of failed state: anarchic, illegitimate, incompetent, unproductive, and barbaric. Anarchic states lack security as, for example, Iraq did in 2006. Illegitimate states cannot command the loyalty or consent of the population because of some perceived injustice—perhaps including Tunisia and Egypt in early 2011. Incompetent states lack functioning institutions and simply cannot deliver goods and services, such as Haiti. Unproductive states are not simply poor; they have malformed economies because of war, looting, smuggling, and black markets, such as West Africa in the 1990s. Barbaric states murder their own citizens on a large scale, such as Sudan.

These different types of failure imply different strategies of state-building. What Iraq needed in 2006 was different from what Haiti needs today. The international community must be able to study the situation on the ground, understand the type and degree of state failure, and tailor a nation-building strategy accordingly. Such a strategy, according to Georgetown University Professor Lise Howard's study *UN Peacekeeping in Civil Wars*, requires a culture of institutional learning, a bottom-up approach in which missions in the field design themselves as much as headquarters in New York or Washington design them, and more rapid decisionmaking.⁷

Such a strategy was on display in Sierra Leone in 2000. The United Nations Mission in Sierra Leone (UNAMSIL) initially started out with all the weaknesses that brought down the missions in Liberia, Angola, and Somalia, including insufficient resources, a weak

mandate, and political naïveté. After insurgents from the Revolutionary United Front (RUF) took several hundred UN peacekeepers hostage, the United Kingdom intervened, transformed the mission from peacekeeping to peace enforcement, dealt the RUF several serious military defeats, and followed up by deploying a long-lasting and robust training mission for the Sierra Leonean security forces. The UN expanded UNAMSIL's size and handed it a more aggressive mandate and the mission was ultimately a success.

The lesson is not that the international community always needs to take sides against an insurgency, or prefer peace enforcement over peacekeeping. That strategy would be inapplicable and irrelevant for the post-earthquake mission in Haiti, for example. The lesson is that the UN and United Kingdom executed a surprising midcourse correction to account for the realities on the ground instead of sticking to a rigid template.

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Institutionalizing Success

There are encouraging signs that the international community has recognized the need to address state failure and take nation-building seriously. But because of the popular suspicion of the concept labeled *nation-building*, policymakers and bureaucrats call it by different names. The Department of State established an Office of the Coordinator for Reconstruction and Stabilization (S/CRS) in 2004 and pledged to begin developing

a deployable and expeditionary civilian response corps for contingency operations. The next year, the Department of Defense issued Directive 3000.05, making “stability operations” a core military mission. The White House issued National Security Presidential Directive 44 the same year, updating the Clinton administration’s guidance (Presidential Decision Directive 56) on interagency efforts in reconstruction and stabilization missions. In 2006, the U.S. Army issued Field Manual 3–24, *Counterinsurgency*, the primary objective of which is to “foster the development of effective governance by a legitimate government”—that is, nation-building in wartime.

The United Nations has done its own soul searching, with its own lingo. The Brahimi Report on UN Peace Operations in 2000—written during the crucible of the Sierra Leone mission—concluded that the complex peace operations of the post–Cold

Germany and Japan stand as irrefutable proof that nation-building can be successful and contribute to vital national security interests

War era needed more realistic mandates, better resources, closer integration with UN political operations, and new headquarters capacity.⁸ The General Assembly formed the UN Peacebuilding Commission in 2005 to improve international coordination on, and heighten attention to, postconflict peacebuilding efforts. The United Nations designed integrated missions, in which civilians from all of its agencies and departments serve alongside UN peacekeepers—equivalent to U.S. whole-of-government and counterinsurgency

deployments. In 2008, the Department of Peacekeeping Operations published a new “Capstone Doctrine” for peace operations.⁹

Despite the various labels, these efforts from the United States and UN all refer to roughly the same thing: powerful liberal states deploying financial and (often) military resources to compel weak states to govern more effectively and accountably. These moves collectively give cause to hope that the international community is slowly improving its ability to rebuild failed states after two decades of frustrating efforts with mixed results.

Conclusion: Learning from History

It took the risk of failure in Iraq and Afghanistan to overcome the legacy of Somalia and prompt the United States to take reconstruction and stabilization seriously again. Now distaste for the decade-long efforts in those countries threatens to tar nation-building at the same time that budget constraints are putting new pressure on the government to cut programs that are unpopular or perceived to be needless or futile. But the United States and UN should beware that they do not continue to overreact to the recent past.

In particular, it bears remembering that nation-building was a vital and successful tool of U.S. policy long before the end of the Cold War. Most famously, the United States rebuilt Germany and Japan after World War II. Critics skeptical of nation-building often dismiss these examples as the exceptions that prove the rule. However, to paraphrase Sherlock Holmes, exceptions do not prove rules; they *disprove* them. Germany and Japan stand as irrefutable proof that nation-building can be successful and contribute to vital national security interests. Japan is an especially provocative example. The United States built a democracy in a non-Western

society where there was no heritage of it, fostered prosperity where there was complete devastation, and effected a fundamental shift in the Japanese people's understanding of their relationship to government and the role of armed force.

The nation-building missions in Germany and Japan, and the concomitant Marshall Plan (nation-building on a continental scale), clearly served vital national security goals: enhancing the capacity of key allies was part of the U.S. Cold War strategy and bolstered its strategic position vis-à-vis the Soviet Union. The German and Japanese economic miracles and German rearmament were vital parts of the U.S.-led alliance system that contained the Soviet Union and ultimately led to the defeat of communist totalitarianism. Nation-building was not a luxury indulged in by the victor enamored of its own power and virtue; it was a strategic necessity.

Finally, the postwar efforts illustrate that nation-building can be comparatively cheap. The Marshall Plan cost some \$120 billion (in today's dollars), and the military occupations untold billions more. That is a massive sum, but it was spread out over a decade and was smaller than the costs of the other options. American and British policymakers gave serious consideration to the Morgenthau Plan, under which the Allies would have de-industrialized Germany and kept it poor and weak: nation-destroying rather than nation-building. If the Allies had adopted the plan, they would have had to foot the entire bill for Germany's food and defense needs and robbed themselves of trillions of dollars of trade and investment from the future German economy. It would have required the United States to minimize its postwar military demobilization and keep much of its World War II Army in the field, a hugely expensive proposition. Alternately,

to avoid these costs, the United States could have abdicated responsibility for Germany and Japan altogether, effectively adopting its post-World War I strategy of isolationism and ceding power and influence to the Soviet Union. That option had its own costs: it was rightly considered an unacceptable risk to U.S. security. Nation-building, though costly, was cheaper than either the Morgenthau Plan or isolationism. In short, nation-building after World War II was a relatively cheap way to contain the Soviet Union, demobilize the unsustainably large wartime Army, and avoid garrisoning Europe for generations.

There are undoubtedly many unique aspects to the missions in Germany and Japan, and they offer no easy template to be uncritically reused today. But they put beyond doubt the question of whether nation-building can be possible, useful, or cost-effective—it emphatically can be all three. The question is how and when to undertake nation-building to best effect.

The United States and the liberal world order do not face a monolithic threat like the Soviet Union, and so far they lack a grand strategy such as containment into which nation-building would fit neatly. But they do face the challenge of growing anarchy and state failure in much of the world, which is as much a threat to security and liberty for the average person in day-to-day life as communism was. Policymakers who expressed concern for Haitians after the earthquake, Darfuris trapped in war, South Sudanese seeking to build a new country, the global ocean-going trade menaced by piracy, or Afghans seeking security should not neglect the tools at their disposal to manage these problems. Policymakers may choose not to intervene in some of these crises; but if they want to retain the option to intervene at all, they need to keep

the tools and budgets to do so in place. As U.S. policymakers review budget and force structure in coming years, they should recognize that nation-building is a pragmatic option that can meet the needs of the hour, and it can do so successfully and cost-effectively. **PRISM**

Notes

¹ Anna Simons and David Tucker, "The Misleading Problem of Failed States: a 'socio-geography' of terrorism in the post 9/11 era," *Third World Quarterly* 28, no. 2 (2007), 387–401; Aidan Hehir, "The Myth of the Failed State and the War on Terror: A Challenge to the Conventional Wisdom," *Journal of Intervention and Statebuilding* 1, no. 3 (2007), 307–332.

² See Paul Collier et al., *Breaking the Conflict Trap: Civil War and Development Policy* (Washington, DC: The World Bank and Oxford University Press), chapter 1, available at <<http://homepage.mac.com/stazon/apartheid/files/BreakingConflict.pdf>>.

³ Ibid., chapter 2.

⁴ Fareed Zakaria, "The Failed-state Conundrum," *The Washington Post*, July 19, 2010, available at <www.washingtonpost.com/wp-dyn/content/article/2010/07/18/AR2010071802734.html>.

⁵ Daniel Kaufmann, Aart Kraay, and Massimo Mastruzzi, *The Worldwide Governance Indicators Project*, World Bank.

⁶ The Fund for Peace, Failed State Index 2011, available at <www.fundforpeace.org/global/?q=fsi>.

⁷ Lise Howard, *UN Peacekeeping in Civil Wars* (Cambridge: Cambridge University Press, 2008).

⁸ United Nations General Assembly Security Council, *Report of the Panel on United Nations Peace Operations*, A/55/305-S/2000/809, August 21, 2000, available at <www.un.org/peace/reports/peace_operations/docs/a_55_305.pdf>.

⁹ United Nations, *United Nations Peacekeeping Operations: Principles and Guidelines* (New York: United Nations, 2008), available at <www.peacekeepingbestpractices.unlb.org/pbps/library/capstone_doctrine_eng.pdf>.